

Message Text

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ACTION EA-14

INFO OCT-01 EUR-25 ISO-00 EB-11 COME-00 TRSE-00 XMB-07

STR-08 DOTE-00 CIAE-00 INR-11 NSAE-00 RSC-01 FAA-00

DRC-01 AID-20 /099 W

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R 271002Z AUG 74

FM AMEMBASSY PARIS

TO AMEMBASSY CANBERRA

INFO SECSTATE WASHDC 1795

FAA BRUSSELS

LIMITED OFFICIAL USE SECTION 01 OF 02 PARIS 20307

E.O. 11652: N/A

TAGS: ETRD, EFIN, EAIR, AS, FR

SUBJECT: CREDIT TERMS OF EUROPEAN AIRBUS (A-300)

AIRCRAFT SALES

REF: CANBERRA 5546 (NOTAL)

1. SUMMARY -- INFO ON CREDIT TERMS OFFERED FOR AIRBUS IS HARD TO COME BY IN PARIS. WE ARE RE-PEATING MESSAGES RECEIVED FROM OTHER POSTS REPORTING CREDIT TERMS OFFERED ELSEWHERE. WE WOULD APPRECIATE BEING KEPT INFORMED ON PROGRESS OF AIRBUS MARKETING EFFORTS IN AUSTRALIA.

2. EMBASSY IS UNFORTUNATELY UNABLE TO PROVIDE ANY HARD INFO FROM PARIS SOURCES ON CREDIT TERMS CURRENTLY BEING OFFERED FOR MARKETING OF AIRBUS. TERMS MAY VARY FROM DEAL TO DEAL AS NEEDED TO MEET AND HOPEFULLY BEAT OUT COMPETITON, AND FACT THAT MARKETING OF AIRBUS REMAINS AN UPHILL PROPOSITION FOR FRENCH MAY EXPLAIN IN PART WHY THEY ARE SO CIRCUMSPECT ABOUT PROVIDING DETAILS OF PART OF THE PACKAGE THEY ARE OFFERING. FRENCH ARE STILL
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LEARNING WHEN IT COMES TO MARKETING OF THEIR

CIVIL AIRCRAFT, WHERE THEIR SALESMANSHIP HAS BEEN
LESS THAN DYNAMIC AND HIGHLY SECRETIVE.

3. THERE HAS BEEN LITTLE IF NOTHING IN FRENCH
PRESS EVEN THE TRADE PRESS ON AIRBUS (OR, FOR THAT
MATTER, CONCORDE) CREDIT TERMS BEING OFFERED.
EVEN EDITOR OF LEADING FRENCH AVIATION WEEKLY AIR
ET COSMOS, WHO IS ONE OF BEST-INFORMED PERSONS ON
FRENCH CIVIL AIR SCENE, CLAIMS NOT TO KNOW
DETAILS OF CREDIT TERMS CURRENTLY BEING OFFERED
FOR AIRBUS. PROFITING FROM LUNCHEON WITH HIM
AUGUST 23 WE SOUGHT TO LEARN DETAILS OF KIND
DESIRED BY AMEMBASSY CANBERRA. EDITOR CLAIMED
THAT WHEN HE HIMSELF HAD RECENTLY POSED THE
QUESTION TO HENRI ZIEGLER, GENERAL MANAGER OF
AIRBUS INDUSTRIE, ZIEGLER HAD REMARKED ONLY THAT
AIRBUS CREDIT TERMS BEING OFFERED WERE "AS GOOD AS"
EXIMBANK TERMS AND BEYOND THAT HE CLAMMED UP.

4. BEST SOURCES FOR OBTAINING INFO ON AIRBUS
CREDIT TERMS THAT HAVE BEEN OFFERED ARE THUS IN
THOSE COUNTRIES WHERE AIRBUS INDUSTRIE HAS MADE
ITS SALES PITCH AND WHERE LOCAL OFFICIALS ARE
LIKELY TO BE LESS SECRETIVE THAN ARE OUR AIRBUS
INDUSTRIE CONTACTS IN PARIS. WE HAVE REPEATED TO
CANBERRA PARIS 20201 REQUESTING FROM AMEMBASSY
SEOUL ANY INFO ON CREDIT TERMS OFFERED FOR REPORTED
SALE OF AIRBUS TO KOREA AIR LINES. WE ARE REPEATING
SEPARATELY TO CANBERRA BONN 3475 REPORTING CREDIT
TERMS OFFERED IN ABORTIVE EFFORT TO SELL TO
TRANS-BRAZIL AND PARIS 18280 REPORTING TERMS

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INFO OCT-01 EUR-25 ISO-00 EB-11 COME-00 TRSE-00 XMB-07

AID-20 STR-08 FAA-00 DOTE-00 CIAE-00 INR-11 NSAE-00

RSC-01 DRC-01 /099 W

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R 271002Z AUG 74
FM AMEMBASSY PARIS
TO AMEMBASSY CANBERRA
INFO SECSTATE WASHDC 1796
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ALLEGEDLY OFFERED RECENTLY TO SYRIA. BANGKOK'S
A-172 OF JUNE 21, 1974 REPORTING LEASE PURCHASE
OF AIRBUS FOR AIR SIAM REPORTED ONLY THAT "VERY
GOOD FINANCIAL TERMS" WERE OFFERED BUT WENT INTO
NO FURTHER DETAIL.

5. WE ARE ALSO REPEATING TO CANBERRA PARIS 17605
WHICH REPORTED COMPLAINT WE HAD HEARD FROM AIR
FRANCE OF EXCESSIVE LATERAL SWAY IN TAIL SECTION
OF FIRST AIRBUS INTRODUCED ON PARIS-LONDON ROUTE.
THIS FLAW IN AIRBUS PERFORMANCE IS ALSO MENTIONED
IN LONG ARTICLE IN AUGUST 12 ISSUE OF AVIATION WEEK
REVIEWING AIR FRANCE'S INITIAL EXPERIENCE WITH
AIRBUS, THOUGH ON BALANCE ARTICLE IS FAVORABLE.
WE ARE AIRPOUCHING COPY OF ARTICLE TO
AMEMBASSY CANBERRA IN EVENT IT MAY NOT ALREADY
HAVE COME TO EMBASSY'S ATTENTION.

6. WE WILL REMAIN ALERT TO INFORM CANBERRA OF
WHATEVER FURTHER INFO ON AIRBUS CREDIT TERMS MIGHT
COME TO OUR ATTENTION AND WOULD IN TURN APPRECIATE
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BEING KEPT POSTED ON PROGRESS OF AIRBUS MARKETING
EFFORTS IN AUSTRALIA.
STONE

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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, PROCUREMENT, PROPOSALS (BID), CONTRACTS, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 27 AUG 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
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Film Number: D740236-0631
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Handling Restrictions: n/a
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Original Handling Restrictions: n/a
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EO Systematic Review
30 JUN 2005

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